



## **FEDERAL RESERVE SYSTEM**

### **Proposed Agency Information Collection Activities; Comment Request**

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Notice, request for comment.

**SUMMARY:** The Board of Governors of the Federal Reserve System (Board) invites comment on a proposal to extend for three years, with revision, the Holding Company Report of Insured Depository Institutions' Section 23A Transactions with Affiliates (FR Y-8; OMB No. 7100-0126).

**DATES:** Comments must be submitted on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:** You may submit comments, identified by *FR Y-8*, by any of the following methods:

- Agency Website: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at <http://www.federalreserve.gov/apps/foia/proposedregs.aspx>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov). Include OMB number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20<sup>th</sup> Street and Constitution Avenue, NW, Washington, DC 20551.

All public comments are available from the Board's website at

<http://www.federalreserve.gov/apps/foia/proposedregs.aspx> as submitted, unless modified for

technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper form in Room 3515, 1801 K Street (between 18<sup>th</sup> and 19<sup>th</sup> Streets NW) Washington, DC 20006 between 9:00 a.m. and 5:00 p.m. on weekdays.

Additionally, commenters may send a copy of their comments to the OMB Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17<sup>th</sup> Street, NW, Washington, DC 20503 or by fax to (202) 395-6974.

**FOR FURTHER INFORMATION CONTACT:** A copy of the PRA OMB submission, including the proposed reporting form and instructions, supporting statement, and other documentation will be placed into OMB’s public docket files, if approved. These documents will also be made available on the Federal Reserve Board’s public website at:

<http://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears below.

Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551, (202) 452-3829. Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869, Board of Governors of the Federal Reserve System, Washington, DC, 20551.

**SUPPLEMENTARY INFORMATION:** On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a

collection of information, the Board will consider all comments received from the public and other agencies.

**Request for comment on information collection proposal**

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Federal Reserve's functions; including whether the information has practical utility;
- b. The accuracy of the Federal Reserve's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;
- c. Ways to enhance the quality, utility, and clarity of the information to be collected;
- d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Federal Reserve should modify the proposal.

**Proposal to approve under OMB delegated authority the extension for three years, with revision, of the following report:**

*Report title:* Holding Company Report of Insured Depository Institutions' Section 23A Transactions with Affiliates.

*Agency form number:* FR Y-8.

*OMB control number:* 7100-0126.

*Frequency:* Quarterly

*Respondents:* Certain bank holding companies (BHCs) and savings and loan holding companies (SLHCs).

*Estimated number of respondents:* 933.

*Estimated average hours per response:* 7.8 hours.

*Estimated annual burden hours:* 29,110.

*General description of report:* The FR Y-8 collects information on covered transactions between an insured depository institution and its affiliates that are subject to the quantitative limits and requirements of section 23A of the Federal Reserve Act and the Board's Regulation W (12 CFR Pt. 223). The FR Y-8 is filed quarterly by all U.S. top-tier BHCs and SLHCs, and by foreign banking organizations (FBOs) that directly own or control a U.S. subsidiary insured depository institution. If an FBO indirectly controls a U.S. insured depository institution through a U.S. holding company, the U.S. holding company must file the FR Y-8. A respondent must file a separate report for each U.S. insured depository institution it controls. The primary purpose of the data is to enhance the Board's ability to monitor the credit exposure of insured depository institutions to their affiliates and to ensure that insured depository institutions are in compliance with section 23A of the Federal Reserve Act and Regulation W. Section 23A of the Federal Reserve Act limits an insured depository institution's exposure to affiliated entities and helps to protect against the expansion of the federal safety net to uninsured entities.

*Proposed revisions:* In order to reduce reporting burden, the Board proposes to eliminate the FR Y-8 declaration page. Currently, respondents that own or control insured depository institutions may, instead of completing the entire form, submit a declaration page each quarter

attesting to the fact that the institutions do not have any covered transactions with their affiliates. The Board proposes to revise the instructions to eliminate the declaration page and to clarify that respondents that own or control insured depository institutions that do not have any covered transactions with their affiliates would not have to file the FR Y-8.

*Legal authorization and confidentiality:* The FR Y-8 is mandatory for respondents that control an insured depository institution that has engaged in covered transactions with an affiliate during the reporting period. Section 5(c) of the Bank Holding Company Act authorizes the Board to require BHCs to file the FR Y-8 reporting form with the Board. (12 U.S.C. 1844(c)).

Section 10(b)(2) of the Home Owners' Loan Act authorizes the Board to require SLHCs to file the FR Y-8 reporting form with the Board. (12 U.S.C. 1467a(b)(2)). The release of data collected on this form includes financial information that is not normally disclosed by respondents, the release of which would likely cause substantial harm to the competitive position of the respondent if made publicly available. The data collected on this form, therefore, would be kept confidential under exemption 4 of the Freedom of Information Act, which protects from disclosure trade secrets and commercial or financial information. (5 U.S.C. 552(b)(4)).

Board of Governors of the Federal Reserve System, March 12, 2018.

**Ann E. Misback,**

*Secretary of the Board.*

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